when foreigners are received, and to maintain internal order."

The Reşiţa Affair.

The Reşiţa is the largest metallurgical establishment of Rumania, and being in close proximity to the iron and coal mines of the Banat, is susceptible of rapid development. Its shares, which fetched 809 lei in 1929, have dropped to 402 in 1930, 205 in June, 1931, and 130 lei in 1932. The "Epoca" of 24th Oct., 1930, reported the following details on the management which may partially explain this depreciation, but at any rate they serve to show on what principles limited companies are generally run in Rumania :-

"We published during May details as to the amount of directors' remuneration distributed. This amounted to 83 million lei, while 86 millions were distributed among the shareholders. The director, Prince Barbu Stirbey, received over 10 millions annually. In other countries such particulars would have created consternation. With us nothing happened, because Stirbey's dictature is all-powerful. Today the Reşiţa is at the mercy of the Credit Anstallt, of Vienna, owing to the manner the Company was administered, the interest of the shareholders being always the last consideration. Secret conventions were signed by Prince Stirbey who drew tens of millions of lei annually for travelling expenses. The ordinary revenue was insufficient to face such wastefulness, even with the 200% subsidy furnished by the State, and therefore recourse to loans from the Credit Anstallt was necessary, the Reşiţa being on the threshold of bankruptcy. The great Viennese bank has put a stop to the scandalous remuneration received by Stirbey and has increasingly taken control of the Company."

Prince Stirbey was one of the leading pillars of the Liberal party and took a prominent part in exiling the (then) Crown Prince Carol from the country. The Reşiţa seems to be associated with scandal. In 1921 it was disclosed that some eighty deputies and senators had received shares in the concern in order to support interests inimical to the Rumanian State, and these disclosures provoked at the time tumultuous debates in the Chamber.

through a spirit of ill-conceived emulation. According to official statistics there were in 1929 a total of 3,736 industrial establishments, with an invested capital of 40,284 million lei, and employing 201,184 workpeople. Of these firms 1391 were in the old kingdom and 1789 in the Banat and Transylvania. The continuous fall in the purchasing power of the population, the lack of adequate working capital, which forces these industries to borrow money at high rates of interest owing to the prevailing monetary stringency, the disorganization of credit, the diminution of State purchases, and the non-payment by the State for the goods ordered by it from these industrial firms, have placed most of them in jeopardy, and it is very doubtful whether they will be able to survive the present crisis unless the State intervenes further on their behalf.

The following table sets forth the data concerning the various branches of industry operating during the year 1929:

Industry.	Number of establishments.	Capital (million lei.)	H.P. used.	Annual value of output in million lei.	Workpeople employed.
Metallurgical	448	6,444	84,775	8,443	40,236
Electrotechnical	12	83	2,026	208	839
Timber	787	3,457	73,827	5,362	41,656
Food and Aliments	1,004	11,686	126,336	15,312	25,644
Textile	516	5,515	40,421	8,448	35,963
Leather goods	211	1,406	15,117	2,614	7,925
Glassware	35	505	2,500	602	4,218
Building materials ...	296	2,085	52,981	1,573	13,963
Pottery	32	119	683	104	834
Chemical	248	6,131	69,326	11,011	19,238
Paper and Graphic Arts ...	147	2,128	29,971	2,447	10,668

The metallurgical industries have been developed to such an extent that practically all the current implements, from pails and wire to railway locomotives and waggons, as well as agricultural machinery, are locally produced in sufficient quantities for the requirements of the local market.

[The Banat]

[The Crisana]

The high quality of the crops in this province, amongst them wheat, maize, rye, oats, and the high standard of animal breeding, have made the Banat known far beyond the borders of Rumania. The fertility of the soil is due partly to the 'black earth' which, in a greater or lesser degree, is a component of all the arable land. Apart from being an important agricultural region, the Banat possesses valuable industries, forests and minerals. Iron ore and coal are mined in the area of Resita and Anina, where there are great iron and steel works which produce railway equipment and armaments. The Danubian port of Orsova, guarding the western entrance to the 'Iron Gates', also has an oil refinery.

The capital of the Banat is Timisoara[R] (Temesvar[H]) on the Bega with a population of 100,000. In Roman times the fortress of Ripensia was situated here. In Hunyadi's time it was a centre of resistance against the Turks, only second in importance to Belgrade. To-day the town is a great rail and road junction with many factories, banks, commercial houses and cultural institutions. Lugoj, on the Timis, with a population of 20,000, and Caransebes, north of the Porta Orientalis which leads through the mountains of the Banat to the Danube, are marketing towns of some importance.

THE CRISANA AND MARAMURES. Geographically the Crisana is the eastern borderland of the Hungarian plain. The province covers an area of about 8,400 square miles and has a population of just under 1,500,000. The Crisana lies between Transylvania in the east, the River Mures (Maros[H]) in the south; Hungary (as reduced by the Treaty of the Trianon) in the west and Czechoslovakia in the north.

A. INTRODUCTION

135 By comparison with Greece or Yugoslavia Rumania has but poor deposits of minerals, with the exception of gold, as a producer of which, before the loss of Transylvania, she ranked second in Europe to Sweden.

316 Iron-ore output is inadequate to meet the requirements of the steel industry. Bauxite output is on a very small scale, though steps are being taken to increase this and to create an aluminium industry. Production of lead and zinc, though sufficient pre-war to cover requirements, was centred in territory now ceded to Hungary, so that the country has become dependent on imports. Silver and copper production, the latter never other than on a small scale, have also suffered through territorial losses. Attempts have been made during the last few years to develop output of chrome and manganese—manganese for production of ferro-manganese for the iron and steel industry, and chrome, deposits of which appear not to have been worked before 1941, for export to Italy.

135 Deposits of mica and molybdenum have both been recently discovered in small quantities in the Mehedinți district, and the Germans are particularly interested in production of the former.

B. IRON AND STEEL

●327 Full use of the Rumanian iron and steel industry is severely hampered by inadequate supplies of metallurgical coke and of iron ore, both of which have to be imported. Shortage of the former particularly has affected the industry since the outbreak of war, because, due to an insufficient supply of metallurgical coke in German Europe as a whole, Rumania has been unable to import the requisite quantities to maintain output of her blast-furnaces. Rumanian plants, however, are new and the steelworks are all open-hearth or electric, which means that they are able to produce the qualities most useful for armaments.

1. Iron Ore

316 Shortage of iron ore is the fundamental weakness of the Rumanian iron and steel industry. Though various other concessions have been granted, but not yet in any way developed, only three mines have been regularly exploited, as follows:—

(a) The Ghelari deposits of limonite (47 per cent. to 54 per cent. iron) owned by the State and exploited by the Hunedoara Works.

(b) The Teliuc deposits of limonite (48 per cent. to 52 per cent. iron) and of siderite (28 to 35 per cent iron), owned and exploited by Titan Nadrag Calan.

(c) The almost exhausted Ocna de Fier deposits of poor quality limonite-owned by Reșița.

316 439 Rumania has always had to import ore, chiefly from Yugoslavia, and recently from the Russian mines of Krivoi Rog as well. The following table shows Rumanian output and imports of iron ore

Year	*Output* (000 tons)	*Imports*
1936	107	Nil
1937	127	90
1938	137	114
1939	143	90
1940	151	52
1941	106	n.a.

[21b]

2. Pig-Iron Production

●327 Rumania had nine blast-furnaces, as under —

Company	*No. of Furnaces*	*Annual Capacity '000 tons*
Reşiţa	2	120
Hunedoara	4	90
Titan Nadrag Calan ..	1	25
Vlahiţa*	2	4
Total	9	239

*In Hungarian territory as a result of the Vienna Award

The full operation of these furnaces is rendered impossible by lack of metallurgical coke. Only Reşiţa possesses coke-ovens, and its production is no more than 80,000 tons a year—insufficient for its own needs. The blast-furnaces of Titan Nadrag Calan and of Vlahiţa are charcoal-burning, but charcoal has now become as rare as coke. These difficulties helped to keep pre-war pig-iron production far beneath capacity, as the following table illustrates :—

Year	*'000 tons*
1936	96
1937	116
1938	107
1939	115

3. Steel Production

Rumania's annual steel capacity is about 500,000 tons of ingots and castings. The principal producers are as follows :—

Company	*Annual Capacity '000 tons*
Reşiţa	210
Hunedoara State Works	200
Titan Nadrag Calan ..	100
Malaxa	65
Others	25
Total	500

All this capacity is open-hearth or electric and therefore requires large supplies of scrap (100 per cent. scrap can be used for electric blast furnaces, and for open-hearth anything between 30 and 70 per cent. scrap). As Rumania is predominantly an agricultural country, native scrap production is small, usually amounting only to about 150,000 tons per annum. Thus scrap had to be imported, as follows :—

Year	*'000 tons*
1936	37
1937	44
1938	74
1939	43 ..
1940	6

Imports almost stopped on the outbreak of war and the situation became serious, but has to a certain extent been retrieved by the collection of battlefield scrap from Bessarabia and Transnistria, with the result that production of crude steel in 1942 should have been about 350,000 ton-

[210]

compared with the following annual pre-war figures:

Year	'000 tons
1936	225
1937	241
1938	326
1939	385

4. Iron and Steel Consumption

The limited native iron and steel production which was never sufficient to keep the consuming industries fully supplied, became an increasing impediment with the rapid development of these industries during the last few years. Iron and steel products had therefore to be imported at the rate of 2,300,000 tons a year. The outbreak of war in Europe, and consequent restriction of supplies meant a falling off of imports, so that an acute shortage developed. During 1942 however, the situation improved somewhat in that Germany was reported to have sent a total of 130,000 tons of iron and steel products to Rumania.

5. German Penetration

A small degree of penetration into the Rumanian iron and steel industry has been achieved by the Hermann Göring Werke, which, after the partition of Czechoslovakia, acquired Czech interests in Reşiţa amounting to 6 per cent., which were later increased to 20 per cent.

In 1941 a company with 50 per cent. German and the remainder Rumanian capital, was formed to take over the management of Reşiţa and its associated companies. The Malaxa Works later also came under the organisation of this company.

C. LEAD AND ZINC

1. General

In pre-war years Rumania was practically self-sufficient in lead but not in zinc, since she possessed no zinc-smelting facilities. Her production of zinc concentrates was exported, mainly to Poland, part of the metal content being reimported after smelting. Belgium and Poland were her chief suppliers of metallic zinc.

2. Mines and Plant

The mining of lead and zinc constituted only a small industry in Rumania. Part of the production, almost 50 per cent in the case of lead, was obtained incidentally to the working of gold and silver ores. The principal producers were the State-owned mines Baia Sprie, Capnic Văratec, Valea Roşie, Dealul Crucii, and the Herja mine owned by Phœnix S.A., all are situated in the Baia Mare district in North Transylvania. The Herja ores averaged approximately 8 per cent. lead and 14 per cent. zinc, whilst ores from the other mines averaged only 4 per cent. lead and 10 per cent. zinc.

There are other deposits in the Transylvanian Erzgebirge, where galena and blende are associated with gold occurrences, in the Hunedoara, Banat, and Severin districts, and at Cârlibaba in the Bucovina.

Rumania possessed two lead smelters for the treatment of her production of concentrates, the Phœnix plant at Lucaci, with a capacity for about 5,000 tons of crude lead and 3,000 tons of refined lead, and a plant at Feriza belonging to Uzinele Metallurgice din Firiza de Jos. There

RUMANIA EDI

The hipped roof is rather flat and made of corn straw or reed, about 40 centimeters thick. The frame is often of the collar type, horizontal beams supporting opposing rafters (figs. 60a, 64). Pan tiles appear only in isolated instances. In 1918 sheet iron was becoming popular because it was economical and saved time and effort. It was generally painted red-brown. Chimneys are usually inadequate or lacking (Jänecke, 1918: 11).

Every house has an open veranda (prispa) on at least one side which may or may not have a low banister. It is slightly elevated from the ground and is protected by an extension of the eaves. While many Moldavian houses consist of only one room, even the smallest house in Wallachia has an anteroom (tinda). Here the main room is called odaia and has a special stove that is heated by a flue from the hearth in the anteroom. Often an additional odaia is added on the other side of the anteroom forming a symmetrical three-room house. Sometimes additional units are built onto the house on one or both of the narrow sides (figs. 57c, 58). The roof is extended over them in the form of a cutalide (fig. 57a). These units are used for storage of agricultural tools, stables, summer kitchens, etc. If two are not sufficient, three or more units may be added. The prispa may be extended alongside the annex; or, when the annex protrudes in front of the house, the prispa may stop at the annex wall (fig. 57c). Occasionally a large house may have two parallel rows of rooms. However, this arrangement complicates the roof construction, which in this case is generally unsuccessful (Jänecke, 1918: 11-16).

The interior is very simple. The anteroom serves for the storage of house implements; maize is kept in wooden boxes and placed along the wall, and there is also a small handmill for grinding maize. A large oven with a hearth in front of it is located at the wall opposite the door (figs. 57c, 58). The anteroom has no ceiling. When two odaias are present one is used for both living and sleeping quarters, while the other is used for the storage of blankets, carpets etc. It is somewhat of a guest-room.

In the Rumanian house special attention has been given to the hearth and stove, and the whole house can be said to have been built around the hearth. The hearth is the showpiece of the room. Arched over the hearth is a decorated mantel on which cooking utensils are placed. Niches on either side of the hearth are provided for the same purpose. Because of the inflammability of the straw roof, the chimney is of brick (these are the only bricks in the house and are made by the peasants themselves). The stoves in the living room are of unusual construction. The most spectacular of these are the columnar stoves which are not only beautiful but also effective. To the main part of the stove have been added graceful clay pipes which are either arranged symmetrically or placed on one side. The better ones resemble organs. The rest of the stove is also made of clay bricks set in mud mortar and covered with a layer of plaster of a lime and sand mixture. Decoration of clay or plaster may be added. These stoves are generally built by Gypsies.